



Investment Profile

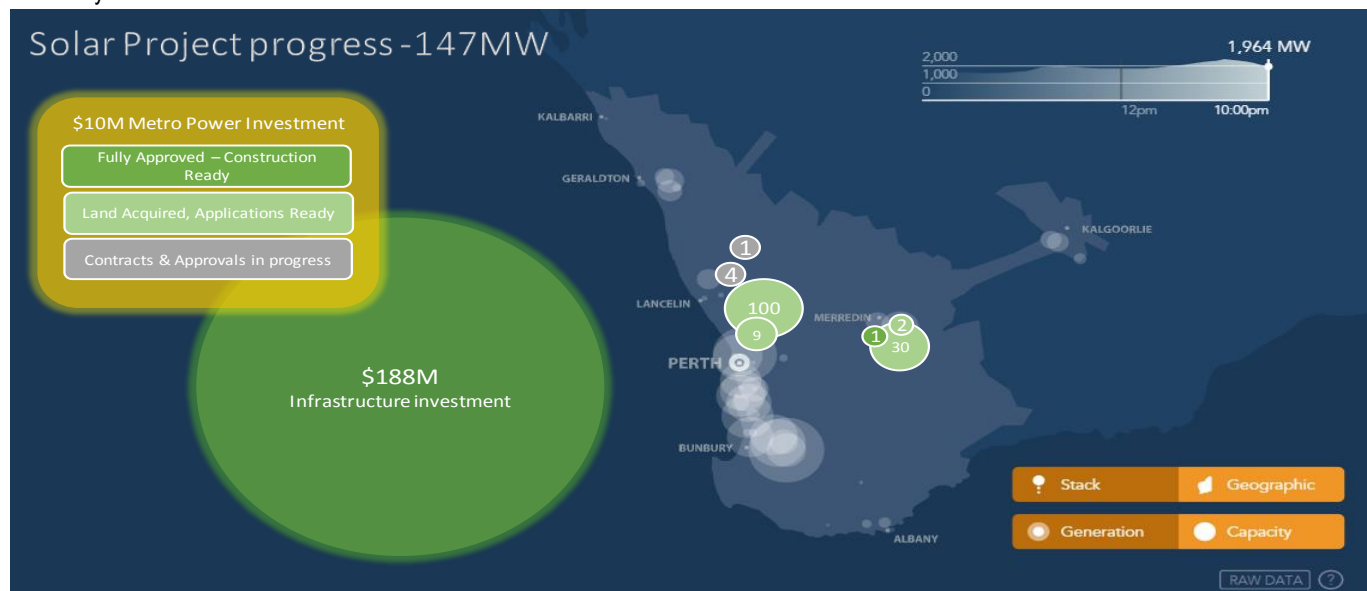


Metro Power Company

Metro Power Company Pty Ltd (ACN 115 167 569) is positioned to be part of a disruption to the \$5B wholesale power industry in Western Australia by supplying and trading energy. Metro Power presents a unique opportunity for investors looking to enter or expand in the energy market in Australia and/or the renewable energy sector generally. The Company's wholesale power services business is underpinned by its unique patented E2M analysis software, a change in the government's energy policy, and Metro Power's ready-to-construct solar farm assets. Metro Power is positioned to take electricity supply to the large energy user.

Metro Power was established in 2005, and has successfully transitioned from its exclusive contracts with Western Australia's largest government electricity generator/retailer, Synergy, to commence its new disruptive business plan to 'cut out the retailer middle man' and supply wholesale power direct from the generator to the large end-users in the industrial and resources segments.

The Quality endorsed business has developed a \$188M pipeline of solar farm projects consisting of 4 locations totalling 147MW to be connected before 2020. Metro Power is seeking an initial investment of AUD\$10M to fast-track sales of its wholesale power business and to resource the next phase of construction and development of solar assets. The first 1MW farm in Merredin is fully approved with construction underway.



Market Ready Investment Case

- Proven Management Team made up of industry veterans of the Western Australian grid, with a track record of delivering major projects
- Karara Mining P/L (owned by Ansteel, China) 120MW foundation customer for wholesale energy trading services secured with 2-year contract
- Land rights to key locations and substations across the WA electricity grid. Internal EPC, Design & Construct capability, partnering with multi-national suppliers for large scale EPC capability
- Positioned to exploit key market drivers for grid operators and electricity suppliers
 - Rapidly rising solar revenues at wholesale level
 - Smart Grid algorithms provide end-use customer with 20% savings
- Ownership of IP with fast growing domestic and national markets. Metro Power is the only company that can offer 20% cost reduction.
- Old models of market forecasting no longer work - proven E2M IP gives Metro Power unique insights into trading positions.
- Extensive R&D over the past 8 years with key international patents and reputation for industry innovation, offering monopoly opportunity for services.
- Additional capital growth from retention of equity in Solar farm assets may result in significant upside.

Business Plan

Metro Power Company will position itself as the Wholesale Power provider of choice using its 4 key points of difference to attract customers with unbeatable 'total utility cost', disrupting the 'Retailer' status quo:

- Capacity Cost** - predict, then manage customer loads, resulting in 20% total bill reduction
- Energy Cost** - unique trading positions from E2M Intellectual Property and predictive insights, backed by solar farms
- Network Cost** - predict, then manage daily peaks using E2M predictive demand management
- RECs** - solar farm direct Large-Scale Energy Credits from Metro Power assets

Developing a build-own-operate model for solar energy infrastructure will de-risk trade exposure to renewable energy credit prices and peak-power pricing. Using its patented energy forecasting systems, Metro Power will have unbeatable market intelligence to trade wholesale energy on the spot market. This will minimise upstream supply costs, make it difficult for competitors to beat and maximise profit on the sale of energy to customers.

Summary of Offer

Capital Raising	AUD\$ 10,000,000 for Metro Power shares
Equity Stake	C 35% (Metro Power Share Equity)
Shareholders Agreement	Yes
Purpose of capital raising	Funding Growth and Solar Farm Assets
Valuation (Metro Power)	AUD \$ 28 m post-investment

Forecast AUD \$ ('000)					
Years	FY16-17	FY17-18	FY18-19	FY19-20	FY20-21
<i>Investment Sought</i>		10,000	188,000		
Services Income	1,701	1,132	2,426	4,852	7,316
Solar Farm Income		212 (1MW)	3,406 (13MW)	8,606 (113MW)	16,891 (147MW)
Total Income	1,701	1,344	5,832	13,458	24,207
Cost of Sales	1,180	754	1,451	4,484	5,744
Gross Profit	521	589	4,380	8,974	18,463
Operating Expense	290	265	458	680	900
Net Profit	231	324	3,923	8,295	17,563
Retained Solar Equity (Accumulated)		400	2,600	5,600	10,000
			-3,000	-8,600	-18,600
NPBT	231	724	6,523	13,865	27,563

Implementation Plan

Metro Power has a track record of power management across several power grids and has secured a two-year contract for the Wholesale Electricity Managed Services for the largest (Chinese-owned) magnetite iron ore processing plant in Australia. This foundation customer for the new 'disruptive' business model will expand the existing portfolio and prepare the systems for replication and growth.

The first of 10 solar farms, a 1MW pilot project at Merredin, 300km east of Perth, is designed to commence a 4-month construction from February 2018. The pilot will test the true cost of implementing the concept designs, the partner technology. (Mahindra Susten and Huawei are among the key technology partners providing tracker, EPC and inverter support) and the revenue returns.

The next solar farm will be subject to securing \$188 million to be raised by a combination of equity, project finance and bank debt, the mix of which is to be determined at the time of raising.

Metro Power's ISO9001 endorsed systems shall provide the methodology for rapid training and expansion of services to gain market share in Western Australia. Metro Power shall seek to 'saturate' the grid with its solar farms before competing developers can get connected. Existing multilingual staff (speaking Chinese, English) are well positioned to project manage the construction partners to meet local conditions and regulations.

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